

**WRITTEN TESTIMONY OF
JOHN TARUTIS
EXECUTIVE DIRECTOR
SISTER ANNE VIRGINIE GRIMES HEALTH CENTER**

**APPROPRIATIONS COMMITTEE
February 18, 2009**

RE: CONNECTICUT NURSING HOME BUDGETARY MATTERS

For the past 25 years, it has been my vocation to provide health care services to the elderly, frail and infirmed in a variety of facilities throughout this State. I am past President of the American College of Health Care Administrators. At present I direct an inner city non profit 125 bed skilled facility which is part of the Saint Raphael Healthcare System and am the senior leader for rehabilitation services for the hospital system.

The Grimes Center has been in existence for over 40 years. This past year we provided short term rehabilitative care and long term chronic care to over 700 patients. We are home to a variety of educational and screening programs for the elderly. Our center employees 175 staff members most of whom live in New Haven. Historically we have provided full benefits including health coverage to even part time employees. We are the employer of choice for many single parents of our surrounding community. We offer tuition assistance so that our staff can progress in their chosen career and at the same time strengthen the health care workforce.

Being part of a hospital system we are often called upon to admit that patient no one else will accept due to the acuity of their care or lack of a verifiable payments source. We accept these patients willingly as doing so is part of our mission and we can provide an appropriate setting for that patient. This practice also helps to decrease hospital costs and inevitably results in less cost to the State of Connecticut.

I think one would agree this facility provides many positive points for the New Haven community, the health continuum, and the State of Connecticut.

Yet with no Medicaid increase in the coming fiscal years we will also certainly unable to continue our service and keep our doors open.

Year after year this committee hears the plea for funding nursing homes. Unfortunately over years our centers have only received nominal increases which have been dramatically outpaced by inflation, wages, energy costs, and most recently increased financing costs. Years of inadequate funding have led to the current day crisis, a perfect storm for health care. A crisis in which three nursing homes have filed for closure since the beginning of this year. A crisis in which the State of Connecticut has become the fifth largest operator of nursing homes in the State due to facilities being placed into receivership. I doubt highly those facilities were operated with the goal of getting into receivership and I doubt highly the State wishes to be in the position of having to operate these facilities. One can only question at what cost.

We are on the cusp of the Federal Stimulus Bill. Granted this money alone will not solve this State's economic or health care financial woes, however let us not make the economy any weaker by the decisions we make.

In the days to come you'll hear about the oversight committee – the outline of this committee in its present state is legally flawed and needs revision before it's brought to fruition.

Instead of oversight I would task an appointed committee to find solutions; How to save on operating costs, how can we move patients more effectively through the continuum thereby saving Medicaid dollars? I know there can be a much more substantial financial savings in this pursuit than a cut or no increase posture.

In the days ahead you'll hear that we will push one half of June the nursing home payment to July saving the state millions this fiscal year. This action is exercised at what hardship to the nursing homes, their patients and staff. Can we defer care, supplies, and payroll? We recently removed this hardship just this past year. Yet in haste, perhaps in desperation this action has been resurrected.

Nursing homes are a vital part of Connecticut's health care continuum. We are the sub acute step down unit, the short term rehabilitation unit, the only option at times for the patient requiring expensive IV medication, the best option at times for a Hospice patient, the place your grandmother lives, or the place my brother may reside. We are the Saturday night at midnight watch for your loved one, providing security, safety and genuine caring.

We are a major referral source for home care agencies, assisted living, rest homes, senior housing and community physicians, therapists, transport services, home support services.

We are not an end road but a catalyst.

Nursing homes provide care over 25,000 patients annually and employ over 30,000 Connecticut workers.

Why would we not invest in this infrastructure?

The basis of the decision for me to invest in this industry is rudimentary in the fact that we are aging. By 2010 there will be an almost exponential growth in demand. We are not poised to appropriately handle the wave of demand in the years ahead. We are poised to be unable to meet the future demand thereby backlogging patients in the acute setting which will cost us much more than if we were prepared. Clinical advances in health care will yield longer life and more complex challenges in caring for our patients and residents. Investing now will help our health continuum, investing now will help our economy and investing now will help eventually ourselves someday.

I thank you for this opportunity to be heard.

John Tarutis
Sister Anne Virginie Grimes Health Center
1354 Chapel St., New Haven, CT 06511
(203) 867-8300